The Cochin Tanneries came under Government ownership as a result of action in the Law Courts. The total investment by Government on this Factory including loans amounts to Rs. 2,41,755-0-9. There is a chance of a portion of it amounting to Rs. 24,375 being realised by the sale of its machinery.

## REVENUE RESERVE FUND

A Personal Deposit account "Revenue Reserve Fund" was opened at the close of 1113 to provide a reserve that should be available in subsequent years and a sum of Rs. 4·5 lakhs was first transferred to this head in 1113. A sum of Rs. 6·5 lakhs was further transferred to this head from the savings of 1114. Rs. 3 lakhs out of this fund was ear-marked for rural development works. Accordingly a sum of Rs. 1 lakh each year was provided for from 1115 onwards for the purpose and made available to the Hon'ble Minister for purposes of rural reconstruction. Besides this, a sum of Rs. 2·25 lakhs was set apart in 1116 to provide additional accommodation in Schools and Hospitals. At the end of 1117 the balance under this head would therefore be Rs. 5·75 lakhs.

## ASSETS AND LIABILITIES

Including the two Government public loans (5 per cent Rs. 75 lakhs and 3½ per cent Rs. 30 lakhs) and the loan of Rs. 22 lakhs taken from the Government of India the total liabilities of the State as exhibited at page vi of the budget estimates would stand at Rs. 216 lakhs by the end of 1117. Against this, even excluding a portion of the capital expenditure on a portion of the Railway, the Assets at the end of next year is expected to be Rs. 348 lakhs yielding a surplus of 132 lakhs over liabilities.

The loan to the Government of India is being liquidated in parts annually. The repayment is to spread over 50 years of annual equated instalments. The interest on this loan is only 3¾ per cent while the interest that the Government would receive on the loan to Harbour Authorities is 5 per cent, the repayments by the latter starting 10 years hence. Towards the repayment of Government of India loan next year an amount of Rs. 98,063 has been provided.

The cash balance of the State for the next year is expected to show an increase of over Rs. 6·3 lakhs as compared to the Rs. 37·46 lakhs of the current year. Investments in Fixed Deposits, Cochin Government Securities, Foreign Government Securities and Shares and Debentures in Companies together come to Rs. 83·63 lakhs.

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